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RALEIGH, N. C.

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U.S. DEPARTMENT OF AGRICULTURE
JANUARY 16, 1953

JANUARY 16, 1953 GENERAL FARM REPORT

GENERAL SITUATION

December weather for the State as a whole did not vary greatly from normal. Rainfall was a little below normal. Temperatures averaged slightly below normal in coastal areas and slightly above normal in the mountains, giving a near-normal average for the State. Soil moisture
(Continued on page 2)

COTTON SITUATION

The United States supply of cotton in the 1952-53 crop-year is estimated to be larger than in 1951-52. With disappearance likely to decline, the carry-over on August 1, 1953, will be larger than a year earlier. Disappearance of cotton in 1952-53 will probably be around 14 million bales, about 800 thousand bales smaller than last season. It is difficult to precisely estimate disappearance at this time, but current indications are that it will be within 600 thousand bales of the above estimate. Since 1930-31, disappearance has exceeded 14 million bales in only 5 years, 3 of which occurred since 1948-49.

Domestic consumption of cotton in 1952-53 will probably be about 9.5 million bales (plus or minus 300 thousand bales), moderately more than the 9.2 million bales of last season. This estimate is based on the prospect that economic activity and purchasing power will increase moderately over 1951-52, and assumes that international tensions will show no significant change.

If there is no material change in the international situation, exports of cotton from the United States in 1952-53 are expected to drop from the 1951-52 level of 5.5 million bales to around 4.5 million (plus or minus 300 thousand bales). Stocks at the beginning of the current season in foreign, non-Communist countries totaled about 2.2 million bales more than a year
(Continued on page 4)

DECEMBER EGG PRODUCTION HIGHER THAN LAST YEAR

Egg production in North Carolina for December is estimated at 93 million eggs or 9 million more than the November production. Egg production during December of 1951 totaled 88 million eggs or 5.4 percent below December 1952.

Total egg production in North Carolina during the 1952 calendar year at 1,336 million eggs was 103 million higher than the total production for the 1951 calendar year.

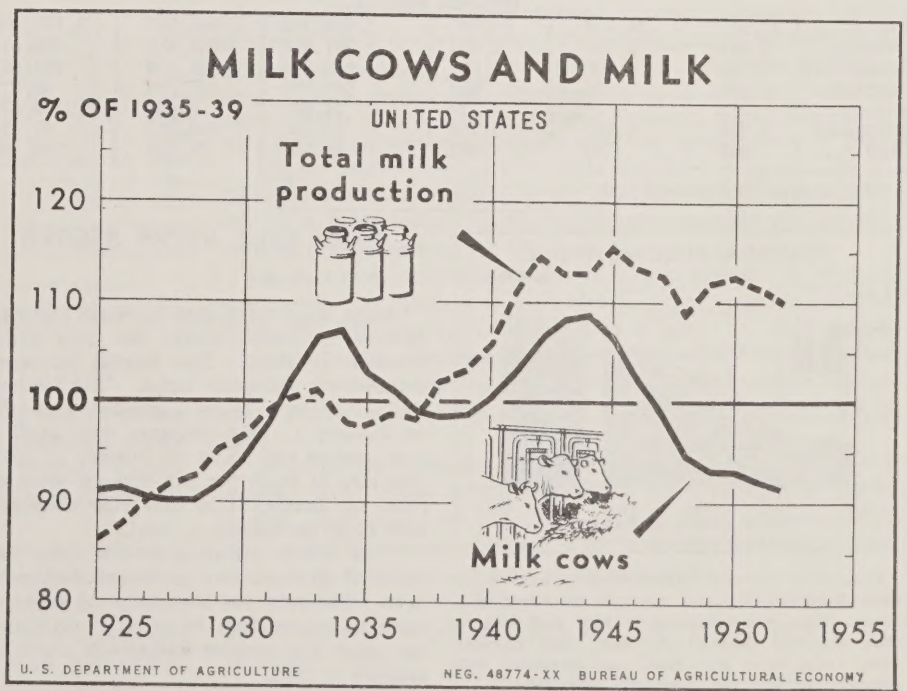
There were 9,108,000 layers on North Carolina farms during December 1952 as compared with 9,252,000 layers during December of 1951, this is a 1.6 percent decrease.

The rate of lay was greater in December 1952 than in December 1951. The number
(Continued on page 4)

DECEMBER MILK PRODUCTION SETS RECORD

Production of milk on North Carolina farms totaled 125 million pounds during December, the highest production of record for the month, but the same amount as that produced the preceding month. The December output is 3 percent more than the revised production for the same month a year ago, and surpasses the revised December 1950 figure (117 million pounds) by 7 percent. The 1941-50 average is 108 million pounds.

National production during December 1952, at 8,176 million pounds, also set a new record high for this particular month. This quantity is 5 percent more than in December a year ago and slightly exceeds the month's previous peak of 8,147 million pounds set in 1942 and equaled in 1944.



U. S. DEPARTMENT OF AGRICULTURE

NEG. 48774-XX BUREAU OF AGRICULTURAL ECONOMY

FARMS STOCKS OF GRAINS LOW IN N. C.

According to recent reports from Tar Heel farmers, January 1 stocks of corn, wheat, oats, rye and soybeans on farms were below those of a year ago. Stocks of corn, rye and soybeans were also below the 10-year average. Barley stocks, on the other hand, were above last year and the 10-year average.

The current low stocks of grains on farms can be attributed largely to the heat and drought conditions which prevailed last summer. The corn crop was cut sharply and this, in turn, brought about the necessity for heavy feeding of other grains. Early marketing of the commercial soybean crop accounts primarily for the present low stocks of that crop.

Meanwhile, hay stocks in the State are at a level considerably above a year ago and slightly above the 10-year average for January 1. Hay production in 1952, despite the depressing outlook during the drought, was surpassed in size only by the crop produced in 1945 and 1948.

For the Nation, the total tonnage of feed grains remaining on farms January 1, 1953 was smaller than on January 1 of any of the peak years 1949-51, but larger than last year and in most years prior to 1949. With fewer animal units to be fed during the rest of the feeding season than last year, the amount available per animal unit is larger

than in most past years, but the geographic distribution of the supply leaves something to be desired. However, some adjustments have been made in the drought areas by reductions in livestock and continuing inshipments of feed and hay.

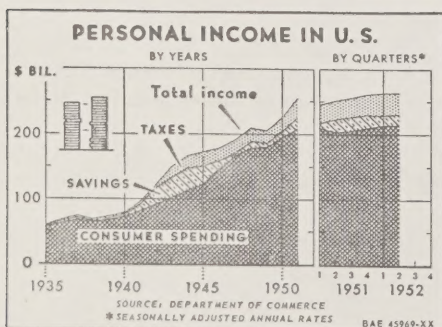
National stocks of 2,173 million bushels of corn on farms are 6 percent larger than average and 15 percent larger than a year earlier. But the 792 million bushels of oats is slightly below average and the 99 million bushels of barley and 24 million bushels of sorghum grain are each well below average. Hay stocks of 68 million tons are 2 percent below average and 7 percent less than a year ago.

Wheat stocks of 399 million bushels in the U. S. are nearly a fifth larger than on January 1, 1952, and slightly larger than average. Rye stocks of only 3.6 million bushels are the smallest in the 20 years of record, only a third of average. The 9.7 million bushels of flaxseed on farms are below the average for 1948-51 when production and stocks were relatively large. Soybean stocks of 82 million bushels are much larger than average, reflecting the near-record production. Movement from farms has been unusually heavy as a result of the early harvest this season, so that farm stocks are smaller than the last two years.

JANUARY 1, 1953 FARM STOCKS OF GRAINS, SOYBEANS AND HAY

Crop	North Carolina			United States		
	Average 1942-51	1952	1953	Average 1942-51	1952	1953
	Thousand Bushels					
Corn...	41,957	44,416	31,747	2,053,378	1,892,173	2,173,205
Wheat...	2,051	3,246	2,328	381,912	334,518	399,412
Oats...	3,238	4,784	3,551	820,959	845,476	791,661
Barley...	262	491	503	147,050	124,046	99,177
Rye....	68	27	18	11,300	6,472	3,627
Soybeans	1,346	1,733	1,196	62,094	104,167	81,731
Hay *...	840	750	861	69,537	73,088	68,193

*Hay stocks in thousand tons



Consumer incomes (purchasing power) have been rising steadily and are now at record high levels. Tax rate increases in 1950 and late in 1951 absorbed part of the rise. But incomes after taxes have also risen and probably will continue to increase gradually into 1953.

FARM WAGE RATES HIGHER

Farm wage rates paid by North Carolina farmers increased during the year ended January 1, 1953. The largest increases occurred in the daily rates. The average daily rate with house furnished at \$4.25 on January 1, 1953 compares with \$4.00 a year earlier and \$3.70 on January 1, 1951. The rate of \$5.00 per day without board or room on January 1 of this year compares with \$4.45 on January 1, 1951.

The North Carolina hourly rate with house at 50 cents was unchanged during the year. The rate per hour with out board or room increased from 59 to 60 cents during the year and compares with 53 cents on January 1, 1951.

GENERAL SITUATION (Continued)

supplies are satisfactory generally, ranging toward the wet side in some Piedmont and Coastal Counties.

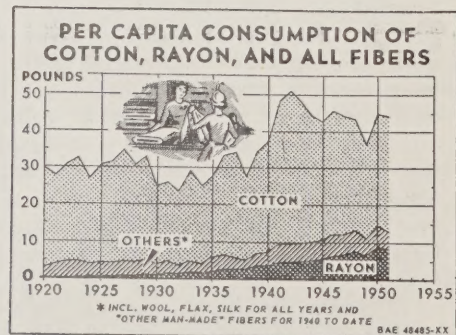
Small grain conditions are mostly fair to good, with conditions apparently better in the Piedmont than elsewhere. Except for the unusually dry planting season, conditions have not been too bad for development of the small grain crops.

The condition of winter pastures is only fair, ranging more toward poor than good in most sections of the State. A small percentage of the 1952 corn crop remains to be gathered, and small quantities of cotton still remain in fields in some areas.

Farm supplies of hay and roughage are short to ample - - with shortages general throughout the mountain counties. Feed grain supplies range from short to ample, with surpluses available only in a few eastern counties.

DAILY AND HOURLY FARM WAGE RATES NORTH CAROLINA AND SOUTH ATLANTIC STATES

Area and Classification	Jan. 1 1952	Jan. 1 1953
<u>North Carolina</u>		
Per day:		
With house.....	\$4.00	\$4.25
Without board or room	4.85	5.00
Per hour:		
With house.....	.50	.50
Without board or room	.59	.60
<u>South Atlantic States</u>		
Per day:		
With house.....	3.95	4.10
Without board or room	4.80	4.85
Per hour:		
With house.....	.54	.55
Without board or room	.62	.64



Per capita consumption of fiber in the United States has been more than a third higher during the past 5 years (1947-51) than during the pre-war years of 1935-39. The shift has been due primarily to a higher level of economic activity. Consumption of cotton has increased almost 20 percent, and rayon consumption has almost tripled; other fibers, little change.

EARLY COMMERCIAL POTATOES FOR LATE SPRING HARVEST UP 16 PERCENT N.C. COMMERCIAL CROP UP 9 PERCENT

Production of the early commercial winter potato crop in Texas and Florida is estimated at 3,746,000 bushels -- a record-high crop. Production indicated is 44 percent larger than the 1952 crop and 94 percent above average. Most of the winter production now comes from Florida where acreage is the largest of record. In the Everglades, harvest is under way and yield prospects are the best in years. Condition of the Fort Myers crop is generally good and light digging is expected to start between January 10 and 15. Condition of the Dade County crop is also good and digging in this area should begin in early February.

North Carolina growers of early commercial potatoes have indicated they expect to plant 18,500 acres. This acreage is 9 percent larger than the 17,000 acres harvested in 1952, but 39 percent below average.

Growers in 12 states are expected to plant 141,900 acres of early commercial potatoes for late spring harvest. This acreage is 16 percent larger than the 122,850 acres harvested last year but 15 percent below average. Increased acreage is expected in all states except Texas and Oklahoma. Reduced plantings are indicated for Texas but growers in Oklahoma are expected to maintain last year's acreage. However, the acreage in Oklahoma will be influenced by the water available for irrigation in western Oklahoma. Percentagewise, the largest increase in acreage is expected in Tennessee, Alabama, Georgia and Louisiana. In California, an increase of 13 percent is indicated by intentions-to-plant reports. The early acreage in the Edison and Arvin Districts of Kern County California has been planted under generally favorable conditions.

COMMERCIAL EARLY IRISH POTATOES INTENDED PLANTINGS FOR 1953 WITH COMPARISONS

State	Acreage			Intended Acres as Percent of 1952	Yield Per Acre	
	3-year average 1949-51 1/	1952	1953 Intended		3-year average 1949-51 1/	1952
	Acres				Bushels	
Late Spring						
N. Carolina	30,350	17,000	18,500	109	183	185
California..	63,700	60,000	68,000	113	387	430
Louisiana...	16,030	4,200	6,300	150	67	95
Mississippi...	2,740	550	600	109	87	85
Alabama....	21,390	21,200	26,700	126	126	170
Georgia.....	1,840	700	900	129	116	145
S. Carolina...	11,200	8,000	9,000	113	142	190
Arizona.....	4,040 2/	3,500	3,800	109	355 2/	420
Texas.....	6,080	3,400	3,200	94	70	70
Oklahoma....	2,100	1,100	1,100	100	110	160
Arkansas....	4,700	1,600	1,800	113	90	80
Tennessee...	4,500	1,600	2,000	125	116	105
Group Total.	167,860	122,850	141,900	116	236	300

1/ For group totals and for all States, averages of annual totals, not the sum of the State or group averages.

2/ Late spring, Arizona -- 8 year average, 1944-51.

GENERAL U. S. FARM COST SITUATION

Cost rates for most commodities used in farm production and also wage rates are likely to increase slightly in 1953 while prices received by farmers for commodities probably will average slightly lower than in 1952. This means that the cost-price squeeze on producers will be intensified in 1953.

Farmers' demands for labor and for goods used in production will continue high in 1953. Demand for agricultural products also will continue high and agricultural output is expected to be near the 1952 record level, if weather conditions are average. Supplies of labor and most production goods are expected to be sufficient to

meet requirements. With prices of production items expected to be a little higher, total expenditures for production in 1953 probably will be slightly above 1952. These expenditures have risen in almost every year since 1938 as both prices and the quantity of items used have increased. Expenditures in 1952 were 3 to 4 percent higher than in 1951, and the highest on record.

The outlook in 1953 is for a somewhat smaller supply of labor, but if continued emphasis is given to using labor efficiently and increased efforts devoted to recruitment programs no real shortage of workers should develop. However, farmers may find a problem in replacing some skilled and dependable regular workers. Wage rates in 1953 may be less than 5 percent above the 1952 average. Rates in 1952 averaged around 7 percent higher than in 1951.

Costs of farm machinery and power in 1953 are expected to be higher than in 1952. Retail prices of farm machinery and equipment probably will be somewhat higher in 1953 than in 1952, and prices of motor fuels and tires also may be higher. The impact of the defense program and work stoppages in plants producing steel and farm machinery have reduced output of farm machinery in 1952, and production in 1953 is expected to be lower than in any year since 1948. However, production during the past several years has been high and, as a result, sufficient power and machinery are expected to be available to maintain agricultural production at a high level in 1953.

Feed costs in September were about 9 percent higher than a year earlier. Corn may average slightly lower in price during the current feeding season but other feed grains and high protein feeds probably will average higher. Hay prices will average higher this winter and early spring. Feed supplies per animal unit for the year beginning October 1952 are about the same as a year ago.

Prices farmers pay for fertilizer are now averaging around 3 percent higher than a year ago, and probably will be slightly higher this spring in some areas, particularly in the West and Midwest. Supplies of nitrogen for the 1952-53 season probably will exceed those for the past season by about 11 percent. Supplies of phosphates and potash available for the 1952-53 season probably will exceed those for last season by 10 and 17 percent respectively.

Prices of miscellaneous farm supplies have gone up year by year since 1939, and are now the highest on record. They will average slightly higher in 1953. Aluminum production in 1952 is likely to exceed one million tons for the first time. Copper mill products still are far from plentiful, but the supply picture is brighter than it was a few weeks ago. Containers, cotton bags and bale ties are expected to be adequate. Lumber and other materials used in farm construction are expected to be adequate for 1953 needs and at or near present prices. However, barbed and woven wire fencing is expected to continue scarce through most of 1953.

Current stocks of many pesticides appear to be high. Current indications are that supplies for the 1953 season will be adequate. Prices in 1953 of many important pesticides probably will not differ greatly from those of the 1952 season.

Interest rates on mortgages placed on farm property in 1953 are not expected to change from 1952 levels. Farm mortgage debt has increased, however, and is expected to be higher in 1953. An increase of about 5 percent in farm real estate tax levies and a slightly greater increase in farm personal property taxes is expected in 1952. Insurance rates in 1953 may be slightly lower than in 1952.

No sharp price changes are expected in farm real estate values during 1953. Some further rise could occur during the next 6 months, but values are likely to show a small downward drift after mid-1953. Gross rents are likely to decline moderately, with share rents dropping a little more than cash rents.

As always, the real effects of changes in cost rates and in prices received for products sold will differ greatly by type and location of farm.

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JANUARY 16, 1953

FARM REPORT

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COTTON SITUATION (Continued)

earlier. Production in this group of countries is expected to be about the same as that in 1951-52 and consumption probably will be no higher than last season. In general, the world situation indicates that the foreign carry-over on August 1, 1953, will be somewhat larger than that of a year earlier.

The United States supply of cotton in the 1952-53 crop-year is estimated at about 17.7 million running bales, about 300 thousand bales larger than the 1951-52 supply. This includes a crop of 14.8 million running bales (14.9 million 500-pound bales), a beginning carry-over of 2.7 million, estimated imports of about 150 thousand, plus an allowance for "city crop" (rebaled samples).

Prices received by farmers during the 1951-52 season averaged 37.88 cents per pound and 109 percent of the parity price. The farm price was about 2 cents below the average for the preceding season. The average price received by farmers in mid-October of 37.02 cents per pound was 0.81 cents above the price of a year earlier.

EGG PRODUCTION (cont'd)

of eggs laid per 100 layers averaged 1,017 in December of 1952 as compared with 949 in December of 1951.

Weather conditions during December 1952 were extremely favorable for egg production. There were a few short periods of cold weather but these did not materially affect laying flocks.

For the entire year of 1952 U. S. egg production totaled 61.5 billion eggs, approximately 2 billion more than the 1951 production.

DECEMBER WEATHER SUMMARY

December was unusually cloudy, with completely cloudy skies all day over much of North Carolina nearly half the days, and partly cloudy skies most of the remaining days. Frequent passages of typical winter low pressure storms from west to east across the United States brought the large amount of cloudiness. Most of the storm centers passed far enough to the north or south of the State to keep precipitation amounts small. Notable exception was the storm system of the last day of 1952, which reached its greatest development near North Carolina. Highlights of 1952 weather were the heat and drought, but neither was in evidence as the year ended.

Temperatures were changeable during the first half of December. The first five days were rather cold, the next five warming, and the next five turning cold again. Then followed a ten day period during which temperatures were generally a few degrees higher than long-term averages for the season. Another cold turn came just after

Christmas, with slow warming up to just about normal as the year ended. Temperatures for the month averaged out close to long-term averages for December, and 1952, a year noted for its extremely hot weather, came to a close near normal.

Considering the amount of cloudiness during December, rainfall was both light and infrequent. There were four periods of general precipitation, only one of which yielded an average of one inch over the State. Light rains prevailed during the first five days, the 10-11th and 20-23rd; at the year's end general rains of an inch or more were falling. Scattered snowflakes fell from the mountains to the coast on the 15th, and some snow fell in the west on several occasions. Average precipitation over the State was about half an inch below December normals, making the 8th month with less than normal rainfall in 1952. In spite of two extremely dry periods, however, heavy rains of March, August and November brought 1952 totals to near normal.

NORTH CAROLINA - INCHES OF RAINFALL DURING DECEMBER, 1952

